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Contact: Roxana Clinciu  
Tel: 0241/506.125

## Petromidia Refinery – record operational performance in 2013

Rompetrol Rafinare, a member of the Rompetrol Group, recorded 6% increase of the consolidated gross turnover\* up to USD 4.9 billion, and an almost 40% improvement of the net result, which is however still negative - 99 million USD.

Main financial indicators – consolidated	Currency	4 <sup>th</sup> quarter 2013	4 <sup>th</sup> quarter 2012	%	2013	2012	%
Gross turnover	USD	1,488,510,322	1,194,335,458	25%	4,899,808,638	4,619,549,311	6%
Operational profit (EBITDA)	USD	13,894,611	55,047,609	N/A	29,004,264	76,830,813	N/A
Net result	USD	(12,860,275)	(48,042,724)	N/A%	(98,978,910)	(163,033,733)	N/A

In the last quarter of the year, the consolidated negative result decreased by 73% as compared to the similar period of 2012, with a negative value of USD 12,8 million. The 2013 increased operational efficiency of the Petromidia Refinery improved the consolidated financial results of Rompetrol Rafinare, as refining margins decreased by 30%, from 35 USD/tonne in 2012 to 24 USD/tonne in 2013.

The consolidated financial results of the company have been mainly influenced by international trends – a 62% decrease of the difference between the Brent and the Ural crude, from 0.95 USD/bbl in 2012 to 0.36 USD/bbl in 2013, and a 4% decrease for petrol and Diesel, plus a 4% decrease in the RON/USD exchange rate.

The Rompetrol Rafinare exports amounted to USD 1.7 billion at the end of 2013, similar to the 2012 level.

Operationally, the refinery reached and maintained the 14,000 tons/day maximum capacity level, with record results. The Diesel yields reached, on average, 46% in 2013, while fuel yields (petrol, Diesel, Jet) reached 85.6% in 2013, the best from the refinery's history.

Petromidia produced almost 2 million tons of Diesel fuel in 2013, an all-time high since its 1979 commissioning. The reduction of operational costs, together with the increase of mechanical and operational availability allowed an improvement of the Energy Efficiency Index up to 103 points, the best annual level of the refinery up to now.

The improvement of operational results, together with the historical results of the Petromidia refinery in 2013, were supported by the 2012 completion of the wide programme for the upgrade and increase of the processing activity of the refinery to 5 million tons a year. The refinery plants are operated at the highest performance standards, while ensuring compliance with environment protection commitments.

Rompetrol Rafinare S.A. remained an important contributor to Romania's budget, paying USD 1.4 billion in 2013. Petromidia over 40% of Romania's refining capacity, and total investments by the Rompetrol Group and its sole shareholder - KazMunayGas amount to almost USD 2 billion in the 2007 – 2013 period.

**The Rompetrol Group  
Corporate Center SRL  
3 -5 Piata Presei Libere  
5<sup>th</sup> Floor, Room 2  
City Gate Northern Tower  
District 1, Bucharest,  
013702, ROMANIA**

J40/9817/13.10.2010  
CIF 27516586  
IBAN: RO92ABNA4100264100407840  
RBS Bank Romania SA  
Share capital: RON 29.444.800

Tel.: + (40) 21 303 08 00  
Fax: + (40) 21 305 77 84  
www.trgcorporatecenter.com  
email: office@rompetrol.com  
office@trgcorporatecenter.com

## Refining

Refining	Currency	4th quarter 2013	4th quarter 2012	%	2013	2012	%
<b>Financial</b>							
Gross turnover	USD	1,379,400,246	1,100,944,321	25%	4,405,512,300	4,270,625,763	3%
EBITDA	USD	6,224,716	47,074,520	N/A	(16,075,626)	58,345,084	N/A
Net result	USD	(3,408,362)	(30,134,589)	N/A	(81,721,859)	(118,699,352)	N/A
<b>Operational</b>							
Processed raw materials	kt	1,315	1,017	29%	4,149	4,012	3%
Domestic fuel sales	kt	471	418	13%	1,623	1,536	6%
Fuel exports	kt	507	340	49%	1,443	1,307	10%

The refining activity, represented by the Petromidia Năvodari and Vega Ploiești refineries, recorded a gross turnover in excess of 4.4 billion USD in 2013, 3% more than the same period of 2012. The result was supported by increased sales of petroleum products, despite the decreasing international quotations in crude prices.

At the same time, it recorded a negative net result of USD 81.72 million, as compared to USD 118.6 million recorded in the same period of 2012.

The domestic fuel sales saw a 6% increase in 2013 as compared to 2012, to 1.5 million tons, while fuel exports increased by 10% in 2013 (1.4 million tons).

The utilization of the Petromidia refinery designed capacity (14,000 tons/day) was 86.18%, an 11.68% from 2012. In the fourth quarter of 2013, the processed raw material quantity was 1.318 million tons, 28% higher than in the same period of 2012, when 1.028 million tons have been processed. In the 4th quarter of 2013, the refining capacity utilization was 98%, 23% more than in the same period of the previous year.

In the 4<sup>th</sup> quarter of 2013, the financial results of Rompetrol Petrochemicals have been positively influenced by the sale of the company assets to Rompetrol Rafinare, followed by the wide integration of the petrochemical activity in Rompetrol Rafinare SA. The company concluded 2013 with a net profit of 37 million USD.

## The distribution segment

Distribution segment	Moneda	Trim IV 2013	Trim IV 2012	%	2013	2012	%
<b>Financial</b>							
Gross turnover	USD	830,829,376	718,309,627	16%	2,943,112,711	2,673,035,916	10%
EBITDA	USD	14,398,497	7,482,834	92%	47,277,655	28,637,283	65%
Net result	USD	(1,544,463)	(17,601,681)	N/A	1,055,355	(44,026,373)	N/A
<b>Operational</b>							
Retail sales	kt	161	171	-6%	641	678	-6%
Wholesale sales	kt	274	218	26%	925	746	24%

Note: The distribution segment includes the results of the subsidiaries Rom Oil, Rompetrol Downstream, Rompetrol Quality Control, Rompetrol Logistics and Rompetrol Gas

The gross turnover of the distribution sector increased to almost USD 3 billion in 2013, a 10% increase from 2012. The financial results have been supported by the 10% of domestic fuel



sales, optimization of distribution channels, as well as the cost reductions. At the end of 2013, total sales (retail and wholesale) amounted to 1.56 million tons.

At the end of December 2013, the distribution segment of Rompetrol Downstream was comprised of 742 sales stations, including own stations, partner stations and mobile stations.

The Rompetrol Group, launched through Rompetrol Downstream, in September 2013, the new filling station concept, which defines the new quality standard of the Rompetrol network and ensures a modern framework for the products of the largest and most modern refinery of Romania and South-East Europe – Petromidia.

## Petrochemistry

Petrochemistry	Currency	4th quarter 2013	4th quarter 2012	%	2013	2012	%
<b>Financial</b>							
Gross turnover	USD	79,624,119	68,248,228	17%	251,082,207	247,294,513	2%
EBITDA of current operations*	USD	(1,921,562)	286,375	N/A	1,801,753	(8,159,557)	N/A
Net result	USD	46,435,031	(5,301,101)	N/A	37,863,344	(21,494,955)	N/A
<b>Operational</b>							
Processed Propylene	kt	32	29	13%	107	119	10%
Processed ethylene	kt	15	21	-29%	55	58	5%
Total sales	kt	53	47	12%	168	177	-5%

\*To ensure the comparability of the 2013/2012 results, the impact of the one-time transfer of Rompetrol Petrochemicals to Rompetrol Rafinare SA was not considered.

The 2013 Rompetrol Petrochemicals turnover was USD 251 million, a 2% increase from the 2012 result. The increase was mainly influenced by the decreasing trade due to the scheduled stop of March 2013.

The financial results have been positively influenced by the petrochemical margins, especially in January and June, as well as in 3<sup>rd</sup> quarter, with a positive EBITDA operational result of USD 1.8 million as compared to the negative result of USD 8.1 million in 2012.

In the 4<sup>th</sup> quarter of 2013, the integration of the petrochemistry business into Rompetrol Rafinare reflected positively on the net result recorded Rompetrol Petrochemicals.

Thus, thanks to its petrochemistry business, Rompetrol Rafinare is the sole Romanian polypropylene manufacturer, as well as the sole polyethylene manufacturer since 2010. The company has an annual production capacity of more than 200,000 tons of polymers (polypropylene, low and high density polyethylene).

\* The consolidated financial results of Rompetrol Rafinare include the results of Rompetrol Rafinare S.A. and the subsidiaries Rompetrol Petrochemicals S.R.L., Rom Oil S.A., Rompetrol Downstream S.R.L., Rompetrol Quality Control S.R.L. and Rompetrol Logistics S.R.L. (together with the Rompetrol Gas S.R.L.).

\*\* These results are unaudited and consolidated, and the reporting has been carried out in accordance with the International Financial Reporting Standards (IFRS).

## The Communication and Public Relations Department The Rompetrol Group

**The Rompetrol Group  
Corporate Center SRL  
3 -5 Piata Presei Libere  
5<sup>th</sup> Floor, Room 2  
City Gate Northern Tower  
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email: office@rompetrol.com  
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